UNITED STATES TRUSTEE'S DISCRETIONARY ADDENDUM TO THE UNIFORM FEE GUIDELINES FOR THE EASTERN DISTRICT OF MICHIGAN

This Addendum is promulgated pursuant to discretionary authority granted to the United States Trustee in the <u>Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. Sec. 330</u> ("Uniform Guidelines") promulgated, pursuant to 28 U.S.C. Sec. 586(a)(3)(A)(i) and (ii), by the Executive Office for United States Trustees, as amended January 30, 1996. The Addendum applies only to applications for compensation filed within the Eastern District of Michigan.

- 1. **Effective Date**. This Discretionary Addendum is effective for all applications for compensation and reimbursement of expenses filed under 11 U.S.C. Section 330 wherein all professional services, for which compensation is sought, were rendered on and after October 1, 1998.
- Excepted professionals. Unless otherwise ordered by the Court or requested by the United States Trustee, the Uniform Guidelines shall not apply to professional persons who are paid based on a flat fee or commission basis such as auctioneers, real estate brokers and appraisers.
- 3. **Project Billing Format**. Pursuant to II.D.2 of the Uniform Guidelines, as amended, the United States Trustee for Region 9 exercises discretion to waive the requirement of a project billing format for all applications (interim or final) of a professional seeking compensation (exclusive of expenses), in chapter 11 cases, when the <u>cumulative</u> amount of all fees requested by the professional in the case equals \$15,000.00 or less; and in chapter 7 cases when the <u>cumulative</u> amount of all fees requested by the professional equals \$5,000 or less. This paragraph applies only to the project billing format as described in Section II.D. of the Uniform Guidelines, as amended, and should not be read or construed to afford a basis for the relaxation of any other requirement in the Uniform Guidelines.

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4. <u>Trustee Time</u>. Pursuant to Section I.F. of the Uniform Guidelines, as amended, fee applications submitted by trustees are subject to the same standard of review as are applications of other professionals and will be evaluated according to the principles articulated in the Uniform Guidelines. However, pursuant to the discretion granted to the United States Trustee in Section I.F of the Uniform Guidelines, as amended, in the Eastern District of Michigan, applications for compensation for trustees need not comport with the Uniform Guidelines under the following circumstances:

A. Chapter 7 Trustees

Applications in which the <u>cumulative</u> compensation (exclusive of expenses) requested by the trustee in the case totals \$15,000.00 or less; however, time records must be maintained in a manner that is consistent with the requirements of Federal Rule of Bankruptcy Procedure 2016(a). Trustee time records shall be made available to the United States Trustee upon request.

B. Chapter 11 Trustees

Applications in which the <u>cumulative</u> compensation (exclusive of expenses) requested by the trustee in the case totals \$20,000 or less; however time records must be maintained in a manner that is consistent with the requirements of Federal Rule of Bankruptcy Procedure 2016(a). Trustee time records shall be made available to the United States Trustee upon request.

5. <u>Chapter 11 Examiners</u>. Pursuant to Section II.D.2 of the Uniform Guidelines, generally, applications for compensation in which the <u>cumulative</u> compensation (exclusive of expenses) requested by the examiner in the case totals \$15,000 or less need not comport with the project billing requirement of the Uniform Guidelines; however time records must be maintained in a manner that is consistent with the requirements of Federal Rule of Bankruptcy Procedure 2016(a). Examiner time records shall be made available to the United States Trustee upon request.

- 6. <u>Discretion of the United States Trustee</u>. This Discretionary Addendum is not intended to limit the United States Trustee's discretion to request more information or documentation regarding fee applications in specific cases when deemed appropriate by the United States Trustee.
- 7. <u>Local Rules</u>. Nothing in this Discretionary Addendum should be construed to supersede local rules, but should be read as complementing the procedures set forth in local rules.

DONALD M. ROBINER UNITED STATES TRUSTEE MICHIGAN/OHIO, REGION 9

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MARION J. MACK, JR. ASSISTANT UNITED STATES TRUSTEE

Date: September 24, 1998